

Budget Committee Meeting
June 2, 2011

The meeting was called to order at 6:00 p.m. by Chair Galindez. Present were Councilors Catherine Arnold, Betty Bode, Ian King, Marc San Soucie, and Cathy Stanton, and Members Karmen Bickel, Randy Blake, Allen Dawson, Jose Galindez, Traci Stout, and Alternate Member Geoff Dougall. Also present were Mayor Dennis Doyle, Patrick O'Claire, Finance Director; Randy Ealy, Chief Administrative Officer; J.J. Schulz, Interim Assistant Finance Director; Peter Arellano, Public Works Director; Ed House, Library Director; and Joanne Harrington, Recording Secretary.

The meeting was opened by Chair Galindez.

Library

Mr. House reviewed the Library's proposed FY 11-12 budget. He thanked the Committee for assisting the Beaverton Library and making this year the most successful year it has ever had. The Beaverton Library is the busiest in Washington County and among the busiest in the state of Oregon. The Library's circulation increased 25% from last year with a total of 3,030,630 items circulated.

Mr. House discussed the activities at the Branch Library. He said they had expected to circulate 400,000 items in the first year and so far this year 600,000 items have been circulated.

Mr. House said the main library has continued to grow, but not at the rate as it's seen in the past.

Mr. House said they are going through a three year space utilization project to optimize every square foot at the main library so more shelves and seating can be added and the work flow can be improved for staff.

Mr. House said they are requesting twenty additional hours per week for staff at the Branch Library and an additional ten hours per week for the Children's Librarian.

Mr. House said he wanted to thank his staff as they have been working really hard.

Mr. Galindez asked with the increased circulation at the Branch Library, are the FTEs adequate.

Mr. House explained how they are working on streamlining the check-in and check-out process.

Councilor Stanton asked how many volunteer hours the Library receives.

Mr. House said there are 20,000 volunteer hours each year.

Councilor Stanton asked the population that was used to determine the \$1.50 per capita transfer from the General Fund to the Library Fund for circulation material purchases.

Mr. O'Claire said 88,017 was used for the population.

Library Trust Fund

Mr. House reviewed the Library Trust Fund's proposed FY 11-12 budget. He said this fund receives monies that are donated to the Library and spends them for specific purposes.

Councilor Bode asked the outcome of the Library Foundation fund-raising dinner.

Mr. House said they made about \$10,500.

Councilor Arnold said she wants to express appreciation for all that Wayne Whitbeck has done for the Library over the years and for his generous donations. She said that he is stepping down from the Board.

Mr. Blake asked what the purpose of the contingency is in the Library Trust Fund.

Mr. House said the contingency is money set aside like a bank account that can be used if something unanticipated comes up in the future that requires a large amount of money.

Mr. O'Claire explained the contingency amounts for the Library Trust shown on page 882.

Public Works

Mr. Arellano reviewed the Public Works proposed FY 11-12 budget. He said the Site Development program will soon implement the Plan Review Program called Project Dox. He said the revenue in this program remains flat.

Councilor Arnold asked why the Landscape goals indicate that graffiti cases are anticipated to double in FY 11-12, as shown on page 892.

Mr. Arellano said that the current year experienced 2,000 graffiti cases, and the FY 11-12 number is basically the same.

Mr. Arellano said they are requesting the purchase of two replacement vehicles, a dump truck and a van.

Street Fund

Mr. Arellano reviewed the Street Fund's proposed FY 11-12 budget. He said this fund handles the repaving of streets and paths. He said they perform maintenance as they are repaving.

Mr. Arellano said there is a large increase in the street reconstruction expense which covers the materials used for overlays.

Councilor Arnold asked if there has been a significant increase in construction materials.

Mr. Arellano said the main increase has been in fuel and oil prices.

Mr. Arellano said they are requesting a new vehicle that is larger in size and the vehicle that is being replaced will remain in service. He said they are also requesting two sanders – one replacement and one new unit.

Mr. O'Claire explained an amendment that will be proposed regarding the Street Fund project on Hall Boulevard.

Councilor Arnold said there have been eight net FTE loses in Public Works and asked Mr. Arellano to explain.

Mr. O'Claire said the information she is referring to is not the complete picture. He said Public Works lost three staff last year in Site Development due to a reduction in the workforce.

Councilor Bode asked how many miles of striping \$40,000 gets.

Mr. Arellano said about Public Works maintains 69 miles of striping.

Mr. Arellano said the highlights of this program include completion of the final fiber optic link which will mean all of the City's traffic signals will be linked together and to City Hall and Public Works facility. He said they will also be installing the new city limits signs which will have the new logo and the certified population number.

Mr. Arellano said they are proposing the purchase of a new aerial lift truck. The current truck requires that the motor remain running to operate the lift. The replacement truck's lift will run on batteries.

Mr. Dougall asked who was responsible for maintaining school signs.

Mr. Arellano said the City maintains these signs and all the signs in the right-of-way unless it is an advertisement.

Mr. Arellano said the City maintains all the trees on City property and the entire tree trimming for the street trees.

Councilor Bode asked the size of the 100 new trees that they are going to plant at \$200 per tree.

Mr. Arellano said the trees are about 1 ½ to 2 inches in diameter. He said the \$200 is for the City to plant and maintain the tree.

Mr. Arellano said they are proposing one FTE to help the program meet its objectives and to reduce the amount of temporary help the use. He said this position will be funded by the increase of 6 cents gas tax.

Mr. Arellano said they are proposing replacement of the chip truck.

Ms. Stout asked who is responsible for maintaining the park strips on neighborhood streets.

Mr. Arellano said if the property has access to the street, then it is required to maintain the park strip. He said if the park strip backs the property and there is no access to the street from the property, then the City will maintain the park strip.

Mr. Dougall asked the reason for the truck replacement.

Mr. Arellano said it is a lemon and needs to be replaced.

Street Lighting

Mr. Arellano reviewed the Street Lighting Fund's proposed FY 11-12 budget. He said they have an upcoming project, funded by stimulus funds, to upgrade the street lights on Farmington and Broadway.

Councilor Arnold asked if the stimulus funds were new this year.

Mayor Doyle said that the funds are leftover and there is a timeline for using them.

Mr. Dougall asked how much the savings is when regular lights are replaced with LED.

Mr. Arellano said the savings could be up to 40% to 50% cost reduction.

Mr. O'Claire said the City pays a set rate to PGE for street lights based on the type of light, the mast, etc. He said after all the LED street lights are installed, the City will need to negotiate a new rate schedule with PGE.

Water Fund

Mr. Arellano reviewed the Water Fund's proposed FY 11-12 budget. He said this fund maintains the water pipes, meters, fire hydrants, valves, blow offs and monitors for leaks.

Mr. Arellano said they are proposing to transfer a technician position from the distribution program to the water quality program.

Councilor Bode asked for an update on the Fire Hydrant Replacement program.

Mr. Arellano said for \$80,000 there will be approximately 40 hydrants replaced.

Mr. Arellano said the Water System Quality program is responsible for water quality monitoring, testing, reporting, chlorination and fluoridation of water, and oversee the maintenance of the transmission line.

Mr. Arellano said they are proposing to replace a 1999 GMC utility truck.

Councilor Bode asked why the stand pipe on Sexton Mountain was not painted.

Mr. O'Claire said the painting was re-programmed to the next fiscal year to alleviate further fund balance reduction in the water fund.

Sewer Fund

Mr. Arellano reviewed the Sewer Fund's proposed FY 11-12 budget. The Sewer Maintenance program maintains all the sewer lines through flushing of lines and videotaping the line to ensure they are in good shape. He said this program is also responsible for the Fats, oils, and grease program. He explained that they will soon be changing over to a regional evaluation program to determine which pipes in the region are in most need of updating.

Councilor Stanton asked if there were any sewer events this past year.

Mr. Arellano said there were no sewer events.

Mr. Arellano said the Sewer Construction program repairs deficiencies in the sewer system and works on small scale capital improvements. He said they took on a large project on Main Street and had to break it up into smaller projects. He said they are proposing the replacement of a utility truck.

Ms. Stout asked how long vehicles last.

Mr. Arellano said several of the vehicles that they are proposing to replace are about 20 years old. He said some of the trucks have to idle all day long to run equipment or lights.

Storm Drain Fund

Mr. Arellano reviewed the Storm Drain Fund's proposed FY 11-12 budget. He said the maintenance program maintains the storm drain lines through flushing and video inspections. He said they are also responsible for cleaning water quality structures and catch basins and street cleaning.

Mr. Arellano explained the obligation of developers to maintain water quality facilities.

Councilor Stanton complimented the Public Works Department for keeping track of who is responsible for maintaining the facilities.

Mr. Arellano said they are proposing the addition of one FTE at the entry level to help meet additional program mandates through Clean Water Services (CWS). He said this position will be funded by the increase in storm water utility fees that are set by CWS.

Mr. Arellano said they are proposing to replace a 1989 video van that is overweight and a ten yard dump truck that will be shared between Street, Storm Drain, Sewer, and Water crews.

Mr. Dougall asked if Public Works tracks volunteer hours.

Mr. Arellano said they do track the hours.

Garage Fund

Mr. Arellano reviewed the Garage Fund's proposed FY 11-12 budget. He said that they will need to retro fit 55 vehicles with LED light boards so they no longer have to idle for the light boards to function. He said this will reduce fuel usage and engine wear.

Mr. Arellano said over the coming year they will prepare a replacement funding schedule for all City vehicles.

Mr. Arellano said they are proposing the purchase of an A/C refrigerate reclamation system.

Mr. O'Claire said the fuel costs have increased dramatically this year so there is an amendment to the Supplemental Budget that requests an additional appropriation for Fuel Expense in the Garage Fund.

Public Works Administration Fund

Mr. Arellano reviewed the Public Works Administration Fund's proposed FY 11-12 budget. He said this program provides support services and is a point of contact for all other programs in the department. He said they are trying to reduce their reliance on temporary employees.

Mr. Arellano said they are proposing a new entry level FTE in this program that will help them address fluctuations in all the various programs and will be funded by Street, Sewer, Storm Drain and Water funds.

Mr. Arellano said they are proposing additional funds for work on the Fanno Creek Trail on the Public Works property that is planned for this coming summer and THPRD will reimburse them \$30,000 for the project.

Mr. Arellano said they are also proposing the replacement of an HVAC system.

Councilor Stanton asked if Public Works is taking on more of the small construction projects as opposed to contracting them out and why it is fluctuating so much.

Mr. Arellano explained that the fluctuation is due to staff focusing on smaller projects that do not meet the standard in the CIP.

Councilor San Soucie complimented the Public Works Department for scheduling and staying on top of so many small projects.

Public Hearing

Chair Galindez opened the Public Hearing portion of the meeting at 7:55 p.m. for general public input on the Proposed FY 2011-12 budget.

Ramona Crocker, a resident of Beaverton, said the publicity given to this public meeting is rather lacking. She expressed disappointment with the room arrangement and that the public had to sit in the back of the room where it is difficult to hear what is being said and see the overhead displays.

Councilor King said that he thought the budget meeting's time and location was on the City's Calendar that is on the City's website.

Councilor Arnold requested that the meeting time and location of all budget meetings be posted to the City's website.

Ms. Crocker expressed concern over 39% of the City's budget being devoted to public safety. She said the Police Department keeps adding officers and they are out of room in their facility. She said traffic congestion is a problem in Beaverton.

Councilor Bode said during the Visioning process, people expressed that they want a safe city. She said keeping a certain level of police officers is a mandate from the citizens.

Councilor Arnold explained how the City's police force is proactive and therefore the City is safer than most other cities.

Councilor Bode explained that traffic congestion is often related to traffic signal timing which the City is working on to better coordinate with Washington County.

Ryan Bost, Chair of the Sister Cities Board, explained the various activities that Sister Cities is involved. He thanked the City for its support.

The public portion of the Public Hearing was closed at 8:15 p.m.

Chair Galindez opened the meeting for a public hearing regarding the proposed uses of State Revenue Sharing funds at 8:15 p.m.

There was no public testimony. The hearing was closed at 8:16 p.m.

Mr. O'Claire distributed a schedule that calculates the General Fund activities out to 2025. He explained the General Fund revenue projections with the 5 cent reduction in the tax rate. He also discussed the Schedule of Taxes Assessed, Levy Rates and Assessed Valuation that is page 10 of the proposed budget.

Councilor Arnold asked if Mr. O'Claire's estimations were conservative.

Mr. O'Claire said that his estimates and assumptions are conservative. He said his schedule reflects more being spent than is coming in, but over the last ten years the City's General Fund has not operated at a deficit except for one year.

Mr. Dougall asked about the increase in Franchise Fees. He said he expected them to be on the decrease due to the increasing number of people who are eliminating their land line.

Mr. O'Claire explained that the Franchise Fees total is about \$6.5 million of which land lines is only \$180,000 of that amount so the anticipated decrease is not that significant.

Mr. O'Claire restated that the question asked was "If we drop the tax rate 5 cents, will it hurt the City". He said the 5 cent reduction will not hurt the City.

Councilor Arnold said she does not want to raise the tax rate next year.

Councilor San Soucie said the extra head room in the City's tax rate is intended to be partially dedicated to maintain the ratio of 1.5 officers per 1,000 population.

Mr. Dougall pointed out that the General Fund's contingency is 42%. He said the School District's contingency is 5%.

Mr. O'Claire said the City Council is embarking on a strategic land banking program so he has consciously built up a reserve in the General Fund so land can be purchased without increasing the tax rate.

Mr. Galindez reminded the Committee that the question presented to Mr. O'Claire was "If the 5 cent reduction in tax rate would hurt the City next year", and he answered that it would not hurt the City for a couple years and that in the third year the rate might need to be increased.

Councilor Stanton said she is concerned that the rate will need to be increased next year and suggested lowering the rate a couple cents rather than 5 cents.

Mr. O'Claire said the property tax lost due to the 5 cent reduction is \$372,000 and compared to the total property tax amount of \$16 million, it is not significant.

Councilor King asked if there is a consensus regarding the 5 cent reduction in the tax rate.

Councilor Bode said she would like to have the 5 cent reduction tabled and discussed next year.

Councilor Arnold said she wanted to see the projections of the 5 cent reduction to make sure the rate will not need to be raised next year. She said the water rates recently were increased \$16 per year, so this reduction will help offset that increase. She said that she supports the 5 cent reduction in tax rate.

Councilor San Soucie said historically the tax rate has fluctuated a lot and he gave examples of the increases and decreases. He said his point is that the tax rate has gone up and down and it has not caused something catastrophic to happen to the City. He said there is nothing unusual about the tax rate fluctuating and that he is comfortable with the 5 cent reduction.

Mr. Galindez, Councilor San Soucie, Mr. Blake, Ms. Bickel, Councilor Stanton, Mr. Dougall, Mr. Dawson, Councilor King, and Councilor Arnold are in favor of lowering the tax rate 5 cents.

Ms. Stout expressed her frustrations about the City's budget as most businesses have to reduce their budgets while the City's budget is increasing. She said she favors the 5 cent reduction and would like to see it reduced further.

Councilor Bode said she favors leaving the tax rate at the current rate. She said that she hopes lowering the rate this year does not mean having to raise it next year.

Mr. O'Claire distributed the list of proposed amendments to the budget. He explained the proposed amendments.

Chair Galindez called for a motion to approve the FY 2011-12 Budget as submitted.

Councilor San Soucie MOVED/SECONDED by Councilor Bode to approve the FY 2011-12 Budget as submitted. The Chair then asked for discussion on the budget amendments.

Councilor San Soucie MOVED/SECONDED by Councilor King to approve Amendment Packet No. 1 as submitted. The Chair asked for discussion.

Councilor Stanton asked if Amendment No. 15 was just a reclassification of a current position.

Mr. O'Claire said that she was correct and that is was just a reclassification.

The Chair asked for a vote on the Amendments as submitted. The MOTION CARRIED (9:1). Member Stout voted NAY.

PROPOSED AMENDMENTS TO FY 2011-12 BUDGET **Amendment Packet No. 1**

1. General Fund – Police Department:

Remove a duplicate \$25,000 budget entry for Marketing Educational Consultant Fees and appropriate \$15,000 of these funds for developing a Strategic Plan for the Police Department and the remaining \$10,000 to the General Fund Contingency.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|-----------------------|---|
| 001-60-0622-511 | Professional Services | (\$25,000) |
| 001-60-0611-511 | Professional Services | \$15,000 |
| 001-13-0003-991 | Contingency | 10,000 |

2. General Fund – Economic & Capital Development Department:

Re-appropriate \$35,000 in remaining unspent funds that were designated to assist the Oregon Technology Business Center in securing and equipping an incubator site. The \$35,000 is requested to assist with fundraising and sponsorships.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 001-72-0654-511 | Professional Services | \$35,000 |
| 001-03-0000-301 | Beginning Working Capital | \$35,000 |

3. Community Development Block Grant Fund:

To reflect the reduction (\$45,601) in the Community Development Block Grant funding from HUD (from \$600,000 in the recommended budget to \$554,399).

| Account # | | FY 2011-12 Amended Recommended |
|-----------------|---|--------------------------------------|
| 106-03-0000-327 | Federal Grant Revenue | (\$45,601) |
| 106-70-0611-321 | Admin. Program, travel expense | (\$1,000) |
| 106-70-0611-377 | Admin program, public relations expense | (\$2,393) |
| 106-70-0611-511 | Admin program, professional services expense | (\$5,727) |
| 106-70-6018-383 | 18 th PY public services expense | (\$6,840) |
| 106-70-6018-517 | 18 th PY business development loan expense | (\$29,641) |

4. Library Fund – Children’s Services Program:

To correct the salary and fringe benefit expense for a Librarian position due to the FY 11-12 Proposed Budget not reflecting the increase of 522 hours that was inadvertently left out of the budget when the position’s FTE was increased from .75 FTE to 1 FTE.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|--------------------------------------|
| 115-35-0551-9910 | Library Fund Contingency | (\$18,731) |
| 115-35-0555-260 | Librarian | \$14,532 |
| 115-35-0555-299 | Payroll Taxes and Fringes | \$4,199 |

5. Sewer Fund – Economic & Capital Development Department:

To transfer the new Project Engineer 1 position and the associated fringe benefits from the General Fund – Engineering Services Program to the Sewer Fund – Enterprise Management Administration Program as this position will work on sewer replacement and rehabilitation projects which are funded by contributions from Clean Water Services.

| Account # | | FY 2011-12 Amended Recommended |
|-----------------|---------------------------|--------------------------------------|
| 001-72-0703-084 | Project Engineer 1 | (\$67,441) |
| 001-72-0703-299 | Payroll Taxes and Fringes | (\$42,520) |
| 001-13-0003-991 | General Fund Contingency | \$109,961 |
| 502-72-0740-084 | Project Engineer 1 | \$67,441 |
| 502-72-0740-299 | Payroll Taxes and Fringes | \$42,520 |
| 502-85-0753-991 | Sewer Fund Contingency | (\$109,961) |

6. Insurance Fund – General Liability and Workers Comp. Insurance Program:

To reduce the following insurance coverage figures to more accurately reflect the projected amounts.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|-------------------------------|---|
| 706-40-0010-387 | General Liability Insurance | (\$94,617) |
| 706-40-0010-388 | Property Insurance | (\$28,300) |
| 706-40-0010-390 | Public Employees Bond | (\$5,400) |
| 706-40-0010-991 | Contingency | \$128,317 |
| 706-40-0014-389 | W/C Excess Insurance Coverage | (\$1,030) |
| 706-40-0014-395 | Performance Bond Insurance | (\$6,500) |
| 706-40-0014-991 | Contingency | \$7,530 |

7. General Fund – Council:

Transfer the Events at the Round \$8,500 appropriation and the Unity Walk \$3,200 appropriation from the Council's budget to the Arts Culture and Events Programs budget.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|--------------------------|---|
| 001-05-0511-325 | Community Events Expense | (\$11,700) |
| 001-10-0527-325 | Community Events Expense | \$11,700 |

8. General Fund – Mayor's Office:

Transfer Citizen's Survey appropriation from Mayor's Administration Program to Community Involvement and Public Affairs Program.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|-----------------------|---|
| 001-10-0521-511 | Professional Services | (\$15,000) |
| 001-10-0522-511 | Professional Services | \$15,000 |

Position Changes As Presented by Human Resources Director (See Attached Exhibit)

9. General Fund – Finance Department:

Reclassification of the Assistant Finance Director position from salary grade 1501, step 7 to salary grade 1601, step 7.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|----------------------------|---|
| 001-20-0548-086 | Assistant Finance Director | \$7,788 |
| 001-20-0548-299 | Payroll Taxes and Fringes | \$2,073 |
| 001-13-0003-991 | General Fund Contingency | (\$9,861) |

10. General Fund – Mayor’s Office – Emergency Management:

Reclassification of the Emergency Management Program Coordinator from salary grade 9, step 7 to salary grade 10, step 7.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|--|---|
| 001-10-0635-210 | Emergency Management Program Coordinator | \$4,596 |
| 001-10-0635-299 | Payroll Taxes and Fringes | \$1,245 |
| 001-13-0003-991 | General Fund Contingency | (\$5,841) |

11. General Fund – Mayor’s Office:

Reclassification of the Public Information Manager position from salary grade 14, step 7 to salary grade 15, step 7.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|----------------------------|---|
| 001-10-0522-220 | Public Information Manager | \$6,504 |
| 001-10-0522-299 | Payroll Taxes and Fringes | \$1,475 |
| 001-10-0003-991 | General Fund Contingency | (\$7,979) |

12. General Fund – Police Department:

Reclassification of the Police Records Manager position from salary grade 11, step 7 to salary grade 12, step 7.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 001-60-0621-201 | Police Records Manager | \$5,508 |
| 001-60-0621-299 | Payroll Taxes and Fringes | \$1,272 |
| 001-13-0003-991 | General Fund Contingency | (\$6,780) |

13. Garage Fund – Fleet Maintenance:

Reclassification of Fleet Manager position from salary grade 12, step 4 to salary grade 13, step 4.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 602-85-0762-136 | Fleet Manager | \$5,016 |
| 602-85-0762-299 | Payroll Taxes and Fringes | \$1,357 |
| 602-85-0762-991 | Garage Fund Contingency | (\$6,373) |

14. Public Works – Street Maintenance, Sewer System Maintenance, and Storm Drainage Maintenance Programs:

Reclassification of the Public Works Manager 3 position from salary grade 14, step 7 to salary grade 15, step 7.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|------------------------------|---|
| 101-85-0732-112 | Public Works Manager 3 | \$2,146 |
| 101-85-0732-299 | Payroll Taxes and Fringes | \$579 |
| 101-85-0732-991 | Street Fund Contingency | (\$2,725) |
| 502-85-0753-112 | Public Works Manager 3 | \$2,212 |
| 502-85-0753-299 | Payroll Taxes and Fringes | \$596 |
| 502-85-0753-991 | Sewer Fund Contingency | (\$2,808) |
| 513-85-0734-112 | Public Works Manager 3 | \$2,146 |
| 513-85-0734-299 | Payroll Taxes and Fringes | \$579 |
| 513-85-0734-991 | Storm Drain Fund Contingency | (\$2,725) |

15. General Fund – Mayor’s Office – Arts, Culture and Events Program:

Reclassification of the Administrative Assistant position (salary grade 7, step 7) to Program Coordinator (salary grade 8, step 7).

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 001-10-0527-078 | Administrative Assistant | (\$57,429) |
| 001-10-0527-186 | Program Coordinator | \$62,604 |
| 001-10-0527-299 | Payroll Taxes and Fringes | \$2,355 |
| 001-13-0003-991 | General Fund Contingency | (\$7,530) |

16. General Fund – City Attorney’s Office:

Reclassification of Assistant City Attorney 1 (salary grade 11, step 6) to Assistant City Attorney 2 (salary grade 14, step 3)

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 001-50-0581-235 | Assistant City Attorney 1 | (\$73,262) |
| 001-50-0581-196 | Assistant City Attorney 2 | \$76,130 |
| 001-50-0581-299 | Payroll Taxes and Fringes | \$674 |
| 001-13-0003-991 | General Fund Contingency | (\$3,542) |

17. Insurance Fund:

Reclassification of Risk Manager (salary grade 12, step 7) to Risk and Safety Officer (salary grade 11, step 6)

| Account # | | FY 2011-12 Amended Recommended |
|------------------|--|---|
| 706-40-0010-152 | Risk Manager | (\$28,310) |
| 706-40-0010-030 | Risk & Safety Officer | \$27,603 |
| 706-40-0010-299 | Payroll Taxes and Fringes | (\$2,652) |
| 706-40-0010-991 | Insurance Fund – General Liability Contingency | \$3,359 |
| 706-40-0014-152 | Risk Manager | (\$42,471) |
| 706-40-0014-030 | Risk & Safety Officer | \$41,404 |
| 706-40-0014-299 | Payroll Taxes and Fringes | (\$3,980) |
| 706-40-0014-991 | Insurance Fund – Workers Comp Contingency | \$5,047 |

18. General Fund – Human Resources Department:

Reclassification of Training Coordinator position (salary grade 9, step 7) to Human Resources Analyst (salary grade 10, step 7).

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 001-15-0536-040 | Training Coordinator | (\$63,815) |
| 001-15-0536-299 | Payroll Taxes and Fringes | (\$44,280) |
| 001-15-0534-202 | Human Resources Analyst | \$68,399 |
| 001-15-0534-299 | Payroll Taxes and Fringes | \$45,477 |
| 001-13-0003-991 | General Fund Contingency | (\$5,781) |

19. General Fund – Human Resources Department:

Reclassification of Human Resources Analyst from salary grade 9, step 7 to salary grade 10, step 7.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 001-15-0534-202 | Human Resources Analyst | \$4,596 |
| 001-15-0534-299 | Payroll Taxes and Fringes | \$1,241 |
| 001-13-0003-991 | General Fund Contingency | (\$5,837) |

20. Capital Projects Fund and Street Fund:

Remove Hall Boulevard, Allen to 12th, Project from Capital Project Fund and add to the Street Fund's overlay expenditures.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|--|---|
| 310-03-3193-412 | Transfer from Street Fund | (\$170,000) |
| 310-75-3193-682 | Construction | (\$160,000) |
| 310-75-3193-683 | Construction Design and Engineering Inspection | (\$10,000) |
| 101-85-0732-814 | Transfer to Capital Projects Fund | (\$170,000) |
| 101-85-0732-422 | Overlay Expense | \$170,000 |

21. General Fund – Mayor's Office:

Removal of 1 FTE Volunteer & Diversity Outreach Coordinator position.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|--|---|
| 001-10-0527-048 | Volunteer & Diversity Outreach Coordinator | (\$54,082) |
| 001-10-0527-299 | Fringe Benefits | (\$40,179) |
| 001-13-0003-991 | General Fund Contingency | \$94,261 |

Councilor Bode MOVED/SECONDED by Councilor Stanton to reinstate the Deputy City Recorder position in the FY 2011-12 budget.

There was discussion about the Deputy City Recorder position.

The Chair called for a vote. The motion FAILED (3:7). Councilors Arnold, King and San Soucie and Members Bickel, Blake, Dawson, and Galindez voted NAY.

It was agreed to revisit the three eliminated position at the first supplemental budget in November.

Mr. O'Claire distributed Amendment Packet No. 2.

**PROPOSED AMENDMENTS TO FY 2011-12 BUDGET
Amendment Packet No. 2**

1. General Fund – Mayor's Office:

Removal of 1 FTE Communications Specialist position.

| Account # | | FY 2011-12 Amended Recommended |
|------------------|---------------------------|---|
| 001-10-0522-262 | Communications Specialist | (\$52,734) |
| 001-10-0522-299 | Fringe Benefits | (\$39,829) |
| 001-13-0003-991 | General Fund Contingency | \$92,563 |

Councilor Bode MOVED/SECONDED by Councilor King to approve Amendment Packet No. 2 to remove the Communications Specialist position. The Chair asked for discussion.

There was discussion regarding the Communications Specialist position.

The motion CARRIED (9:1). Councilor San Soucie voted NAY.

Councilor Bode asked if the Sister Cities position was still in the FY 2011-12.

Mr. O'Claire said that the Sister Cities position was still in the budget.

Councilor King said that he does not want to take action regarding the Sister Cities position at this time.

The Chair asked for a vote on the motion to approve the FY 2011-12 Budget as submitted and amended with Amendment Packet No. 1 and 2 as discussed.

There was discussion regarding the motion. The motion CARRIED (9:1). Member Stout voted NAY.

The Chair entertained a motion to approve the meeting minutes from the March 30, 2011, Budget Committee Meeting.

Councilor San Soucie MOVED/SECONDED by Member Blake to approve the meeting minutes from the March 30, 2011, Budget Committee Meeting.

The Chair called for discussion. The motion CARRIED unanimously.

Supplemental Budget S-11-2

The Chair then called upon Mr. O'Claire to begin the Supplemental Budget review.

Mr. O'Claire reviewed the following Proposed Amendments to the Supplemental Budget S-11-2.

Proposed Amendments to FY 2010-11 Supplemental Budget (S-11-2)

1. General Fund

Additional appropriation to provide additional funding for Councils' life insurance premiums

| Account No. | Account Title | FY 2010-11 Supplemental Amendment |
|--------------------|-----------------------------------|--|
| 001-05-0511-299 | Payroll Taxes and Fringe Benefits | \$1,000 |
| 001-13-0003-991 | Contingency | (\$1,000) |

2. General Fund:

Additional appropriation for extra help in the Engineering Program; expenses are to be recovered through the CIP engineering overhead reimbursement revenues

| Account No. | Account Title | FY 2010-11 Supplemental Amendment |
|--------------------|--|--|
| 001-03-0000-398 | Services provided to other funds (revenue) | \$20,000 |
| 001-72-0703-275 | Extra Help, Engineering Management Program | \$20,000 |

3. Capital Projects Fund:

Adjustment of Beginning Working Capital between the programs for the Traffic Enhancement Project and the SW 155th Avenue – Nora to Weir Project.

| Account No. | Account Title | FY 2010-11 Supplemental Amendment |
|--------------------|---------------------------|--|
| 310-03-3223-301 | Beginning Working Capital | (\$638) |
| 310-03-3224-301 | Beginning Working Capital | \$638 |

4. Assessment #1 Fund:

Adjustment of Beginning Working Capital for the Old Beaverton Neighborhood LID project.

| Account No. | Account Title | FY 2010-11 Supplemental Amendment |
|--------------------|---------------------------|--|
| 401-03-0001-301 | Beginning Working Capital | \$4,593 |
| 401-03-4151-301 | Beginning Working Capital | (\$4,593) |

5. Garage Fund:

Additional appropriation in Transfer to the Garage Fund due to the increased cost of fuel.

| Account No. | Account Title | FY 2010-11 Supplemental Amendment |
|--------------------|---------------------------------------|--|
| 001-60-0622-817 | Transfers to Garage Fund | \$34,000 |
| 001-13-0003-991 | General Fund Contingency | (\$34,000) |
| 101-85-0732-817 | Transfers to Garage Fund | \$6,000 |
| 101-85-0732-991 | Street Fund Contingency | (\$6,000) |
| 602-03-0000-411 | Transfers from General Fund (revenue) | \$34,000 |
| 602-03-0000-412 | Transfers from Street Fund (revenue) | \$6,000 |
| 602-85-0762-332 | Vehicle Fuel | \$40,000 |

6. Various Funds

Estimated additional appropriation to fully fund estimated accrued absences at year end.

| | | |
|-----------------|-----------------------------------|------------|
| 001-12-0531-299 | Payroll Taxes and Fringe Benefits | \$10,000 |
| 001-15-0534-299 | Payroll Taxes and Fringe Benefits | \$6,000 |
| 001-13-0003-991 | Contingency | (\$16,000) |
| 106-70-0611-299 | Payroll Taxes and Fringe Benefits | \$1,500 |
| 106-70-0611-461 | Special Expense | (\$1,500) |
| 114-72-0669-299 | Payroll Taxes and Fringe Benefits | \$1,000 |
| 114-72-0669-991 | Contingency | (\$1,000) |
| 601-25-0721-299 | Payroll Taxes and Fringe Benefits | \$1,000 |
| 601-25-0721-991 | Contingency | (\$1,000) |
| 604-30-0678-299 | Payroll Taxes and Fringe Benefits | \$5,000 |
| 604-30-0678-991 | Contingency | (\$5,000) |
| 605-85-0681-299 | Payroll Taxes and Fringe Benefits | \$5,000 |
| 605-85-0681-991 | Contingency | (\$5,000) |
| 706-40-0010-299 | Payroll Taxes and Fringe Benefits | \$1,200 |
| 706-40-0010-991 | Contingency | (\$1,200) |
| 706-40-0014-299 | Payroll Taxes and Fringe Benefits | \$1,200 |
| 706-40-0014-991 | Contingency | (\$1,200) |
| 706-40-0016-299 | Payroll Taxes and Fringe Benefits | \$1,200 |
| 706-40-0016-991 | Contingency | (\$1,200) |
| 708-10-0800-299 | Payroll Taxes and Fringe Benefits | \$2,000 |
| 708-10-0800-991 | Contingency | (\$2,000) |

The Chair reviewed the Supplemental Budget page by page using the "Letter of Transmittal of Supplemental Budget S-11-2" dated May 16, 2011.

Chair Galindez called for a motion to approve the Supplemental Budget S-11-2 as submitted.

It was MOVED/SECONDED by Mr. Blake to approve Supplemental Budget S-11-2 as submitted. The Chair asked for discussion.

Councilor Stanton MOVED/SECONDED by Mr. Blake to approve the Amendments to the Supplemental Budget S-11-2 as submitted. The Chair asked for discussion.

The Chair asked for a vote on the Amendments as submitted. The MOTION CARRIED unanimously.

The Chair asked for a vote on the main motion as amended. The MOTION CARRIED unanimously.

Special Council Meeting

A Special Council Meeting was called to order at 9:48 p.m. by Council President Stanton. Present were Councilors Arnold, Bode, King and San Soucie. Mayor Doyle was excused.

Council President Stanton called a Public Hearing on Agenda Bill 11087, A Resolution adopting the Supplemental Budget S-11-2 for the fiscal year commencing July 1, 2010, and making appropriations there from Resolution 4072.

Public Hearing

A Public Hearing was called at 9:49 p.m. for the adoption of the Supplemental Budget for FY 2010-11, there being no public testimony the Public Hearing was closed at 9:49 p.m.

Councilor San Soucie MOVED/SECONDED by Councilor King that the City Council approve Agenda Bill 11087, A Resolution Adopting a Supplemental Budget (S-11-2) for the Fiscal Year Commencing July 1, 2010, and Making Appropriations Therefrom, as amended. The motion CARRIED unanimously.

Council President Stanton called for a motion to set a public hearing date of June 21, 2011, for the adoption of the FY 2011-12 Budget and the proposed use of State Revenue Sharing Fund.

Councilor Bode MOVED/SECONDED by Councilor King to set a public hearing date of June 21, 2011, for the adoption of the FY 2011-12 Budget and the proposed use of State Revenue Sharing Fund. The motion CARRIED unanimously.

There being no further business to discuss the Special Council Meeting was adjourned at 9:51 p.m.

There being no further business to discuss the Budget Committee Meeting was adjourned at 9:52 p.m.

Recorded by

Joanne Harrington
Recording Secretary

APPROVED BY Allen Dawson, Secretary